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28 July 1953

MEMORANDUM FOR: Inspector General

SUBJECT : Planning.

REFERENCE : Draft memorandum dated 23 July 1953 for the DCI, same subject.

The following comments, corresponding to paragraph numbers in your memorandum, are furnished in accordance with your request:

1. OK.
2. a. True, but these are relatively short-range problems and, for the most part, problems which require command decisions. In most instances, wouldn't it be entirely too slow to refer these matters to a planning staff, and aren't they, for the most part, problems which are entirely proper to refer directly to a Deputy for further coordination and action or recommendation?
- b. In its present method of operation I don't really believe that the Project Review Committee can properly be called a "planning body." The Committee reviews plans but does not originate them and, for the most part, reviews a lot of individual projects and programs without analyses of the total Agency plans and programs, and, frankly, I think, usually without very thorough appreciation and understanding as to how the individual projects or programs fit into the whole.
- c. OK.
- d. True, but can't this be accomplished now by cooperation among Deputy Directors, the Assistant Director (Communications) and the Director of Training? I think that it can.
- e. While I think that the Office of Intelligence Coordination is much more than an "office of record," I generally agree with your comments that it is "neither properly located nor properly constituted."
- f. While a "planning staff" could handle the personnel ceiling problem (and, certainly, its plans for Agency operations and activities would have a major bearing on the decisions made), I do not be-

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lieve that a "planning staff" is essential to solve this type of problem and it is not the type of thing to which it would contribute most.

If we had a firm set of operational and intelligence plans approved by the Director, the adjustment of personnel allocations and ceilings shouldn't be too complicated. The trouble is that we don't have any firm plans. Everybody is just expanding! If we had plans as to how much we proposed to beef up FI during the next two years, where ORR is going, PP, etc., for example, we would have some pattern into which to build with whatever personnel ceiling we had. This is the pattern which I would hope to see a "planning staff" build.

I agree that the reduction in the intelligence functions of State would be appropriate for the "planning staff" to consider, but, here again, if we had good, sound, long-range plans, these decisions shouldn't be too difficult to make and would not require very much planning at the time.

- g. OK; except I'm not sure that an "individual" with a small secretariat can do the job.
- 3. a. Again, I think that even with the best planning board most of the things coming up at Deputies' Meetings which require the Director's decisions would come up anyway because they are things which require fairly quick command decisions and which specifically could not be anticipated by a planning board.

The Berlin Blockade for example: While the advice and assistance of the "planning staff" would be extremely helpful, it would seem to me that this is the type of situation in which (assuming that a plan had not already been developed and approved) the DCI or the D/DCI would want to take personal command in order to insure that everything possible was being done to meet the situation. Here again, I visualize the planning staff as being primarily engaged in the longer range planning as opposed to that meeting the "crash" type of situation.

- b. OK.
- c. OK.
- d. OK, but a planning board shouldn't be necessary to accomplish this.
- e. OK.

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- 4. a. OK.
- b. OK.
- c. OK. However, I am not sufficiently up to date on all of the things that OIC is doing. It might well be that some of these functions should remain with the DD/I.

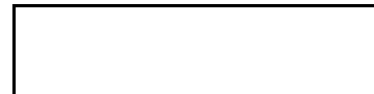
GENERAL:

My concept of the function of a "planning staff" would be to emphasize the long-range aspects of planning and not what I view as relatively short-range operating problems. Assuming that our expansion in the foreseeable future is going to be extremely limited, where are we going? From where do we need information most? How are we going to try to get it, etc.? Where should we concentrate our PM and PP activities? What types of activities have the greatest chances of success, etc.?

If we had a careful analysis of these and many other questions we should be able to determine what we should, or, at least, would like to do. Turning to our assets and potential we should be able to predict with some degree of accuracy what we could do. On balance then, we should be able to produce some plans as to what we are going to do, not just tomorrow, but in 1955, 1956, 1957, etc. Plans should, of course, be under constant review to keep them up to date in the light of changing conditions and, of course, our war planning should be tied in with the Department of Defense as closely as possible.

I frankly believe that this is the type of planning for which we need a staff. I am not at all sure that it would ever produce long-range plans or even be an asset if it injected itself very deeply into the day-to-day and short-range operating problems, although I firmly believe that it has to be aware of these problems.

STAT



L. K. WHITE
Acting Deputy Director
(Administration)

October 5th, 1950

MEMORANDUM FOR GENERAL W. BEDELL SMITH

I am sure you will find it necessary to establish a Planning Board which should have cognizance of overall intelligence projects as well as sabotage, maritime units and the use of operational groups and of black propaganda. It should have no other function. Its recommendations should go to you for approval or disapproval.

For example, it could canvass the situation in Germany, recommend policies to be followed, draft a specific and concrete program to execute these policies, suggest an administrative organization, both in Washington and in the field, to carry out the project. To illustrate, I will send you separately a form used by O.S.S. which may be helpful.

As I told you some weeks ago, Allen Dulles would be excellent as Chairman of the Board. You will want, of course, the best qualified Army, Navy, Air Force and State Department personnel as members of the Board, not as representing those departments but because of their knowledge of those departments and because of the confidence such agencies had in their character and ability. The remainder of the Board should consist of men of broad knowledge and experience as well as a practical understanding of the way these projects must be carried out.

Bill Donovan
William J. Donovan

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MEMORANDUM OF ESTABLISHMENT OF
SERVICE OF STRATEGIC INFORMATION

Strategy, without information upon which it can rely, is helpless. Likewise, information is useless unless it is intelligently directed to the strategic purpose. Modern warfare depends upon the economic base -- on the supply of raw materials, on the capacity and performance of the industrial plant, on the scope of agricultural production and upon the character and efficacy of communications. Strategic reserves will determine the strength of the attack and the resistance of the defense. Steel and gasoline constitute these reserves as much as do men and powder. The width and depth of terrain occupied by the present day army exacts an equally wide and deep network of operative lines. The "depth of strategy" depends on the "depth of armament."

The commitment of all resources of a nation, moral as well as material, constitute what is called total war. To anticipate enemy intention as to the mobilization and employment of these forces is a difficult task. General von Bernhardi says, "We must try, by correctly foreseeing, what is coming, to anticipate developments and thereby to gain an advantage which our opponents cannot overcome on the field of battle. That is what the future expects us to do."

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Although we are facing imminent peril, we are lacking in effective service for analyzing, comprehending, and appraising such information as we might obtain (or in some cases have obtained), relative to the intention of potential enemies and the limit of the economic and military resources of those enemies. Our mechanism of collecting information is inadequate. It is true we have intelligence units in the Army and the Navy. We can assume that through these units our fighting services can obtain technical information in time of peace, have available immediate operational information in time of war, and, on certain occasions, obtain "spot" news as to enemy movements. But these services cannot, out of the very nature of things, obtain that accurate, comprehensive, long-range information without which no strategic board can plan for the future. And we have arrived at the moment when there must be plans laid down for the spring of 1942.

We have, scattered throughout the various departments of our Government, documents and memoranda concerning military and naval and air and economic potentials of the Axis which, if gathered together and studied in detail by carefully selected trained minds, with a knowledge both of the related languages and techniques, would yield valuable and often decisive results.

Critical analysis of this information is as presently important for our supply program as if we were actually engaged in armed conflict. It is unimaginable that Germany would engage in a \$7 billion supply program without first studying in detail the productive capacity of her actual and potential enemies. It is because she does exactly this that she displays such a mastery in the secrecy, timing and effectiveness of her attacks.

Even if we participate to no greater extent than we do now, it is essential that we set up a central enemy intelligence organization which would itself collect, either directly or through existing departments of Government, at home and abroad, pertinent information concerning potential enemies, the character and strength of their armed forces, their internal economic organization, their principal channels of supply, the morale of their troops and their people and their relations with their neighbors or allies.

For example, in the economic field there are many weapons that can be used against the enemy. But in our Government, these weapons are distributed through several different departments. How and when to use them is of vital interest not only to the Commander-in-Chief but to each of the departments concerned. All departments should have the same information upon which economic warfare could be determined.

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To analyze and interpret such information by applying to it not only the experience of Army and Naval officers, but also of specialized, trained research officials in the relative scientific fields (including technological, economic, financial and psychological scholars), is of determining influence in modern warfare.

Such analysis and interpretation must be done with immediacy and speedily transmitted to the intelligence services of those departments which, in some cases, would have been supplying the essential raw materials of information.

But there is another element in modern warfare, and that is the psychological attack against the moral and spiritual defenses of a nation. In this attack, the most powerful weapon is radio. The use of radio as a weapon, though effectively employed by Germany, is still to be perfected. But this perfection can be realized only by planning, and planning is dependent upon accurate information. From this information, action could be carried out by appropriate agencies.

The mechanism of this service to the various departments should be under the direction of a

Coordinator of Strategic Information, who would be responsible directly to the President. This Coordinator could be assisted by an advisory panel consisting of the Director of F.B.I., the Directors of the Army and Navy Intelligence Service, with corresponding officials from other Governmental departments principally concerned.

The attached chart shows the allocation of and the interrelation between the general duties to be discharged under the appropriate directors. Much of the personnel would be drawn from the Army and Navy and other departments of the Government, and it will be seen from the chart that the proposed centralized unit will neither displace nor encroach upon the FBI, Army and Navy Intelligence, or any other department of the Government.

The basic purpose of this Service of Strategic Information is to constitute a means by which the President, as Commander-in-Chief, and his Strategic Board would have available accurate and complete enemy intelligence reports upon which military operational decisions could be based.

William J. Donovan

Washington, D. C.

June 10, 1941

2 Wall Street

Dear Redell -

The enclosed
may be of help you
in dealing with some
of your jurisdictional
problems.

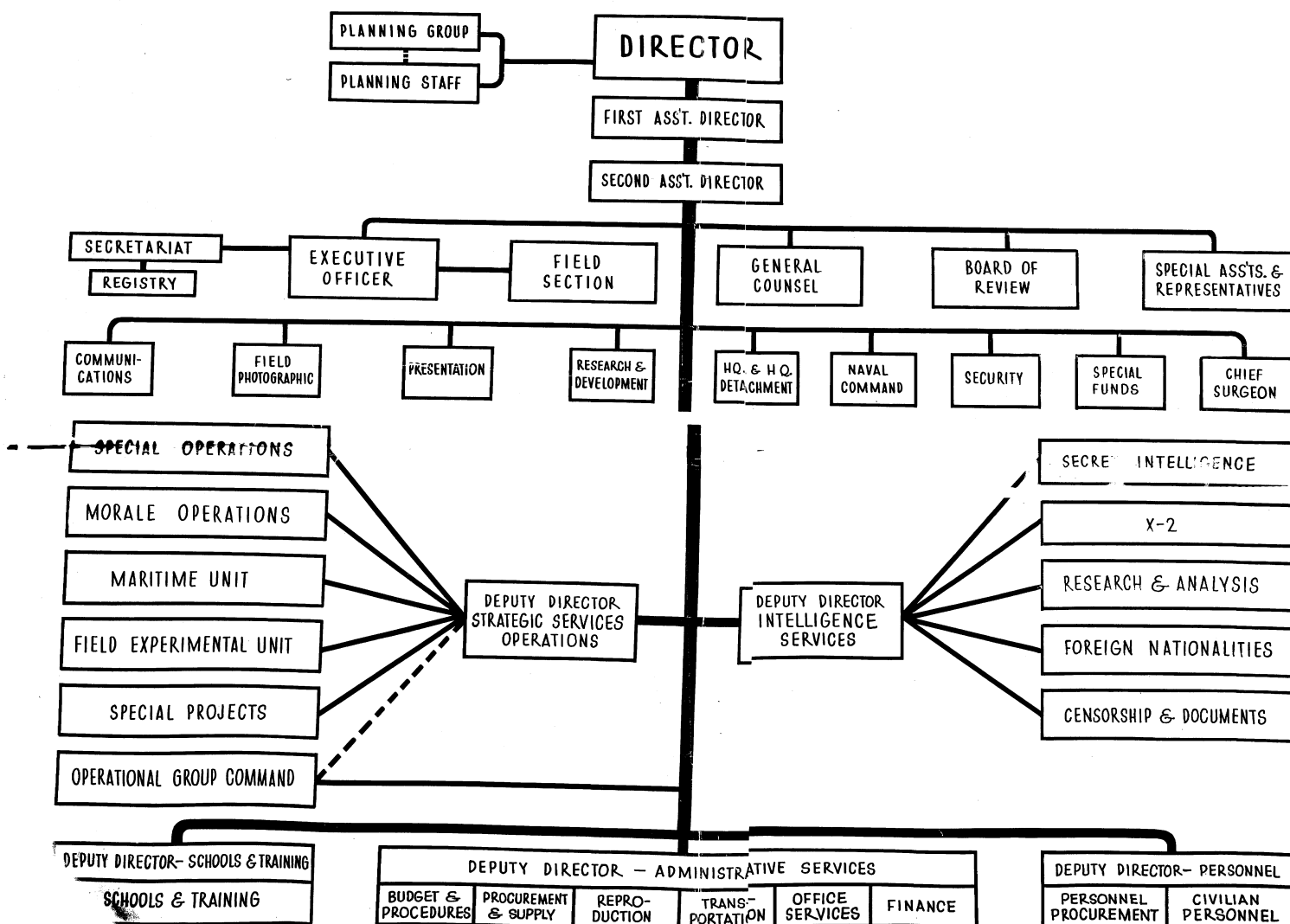
Good luck.

Bill

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